

## **UTILITY ADVISORY BOARD**

Thursday, May 17, 2012

8:00 a.m.

**City of Grand Rapids - Water Administration Building  
1900 Oak Industrial Drive, NE**

### **AGENDA**

1. Approval of Minutes – April 19, 2012 (attached)
2. Public Comment on Agenda Items
3. Presentation of Laboratory Services Agreement with City of Wyoming and Consideration of Recommendation to City Commission (attached)
4. Presentation of FY2013 Budget – Sewage Disposal System and Consideration of Recommendation of FY2013 Water and Sewage Fiscal Plans to City Commission (attached)
5. Contract Awards for April (attached)
6. Updates:
  - a. Customer Information System
  - b. Incentives to Increase Billed Flow
7. Items from Members
8. Next Meeting – Thursday, June 21, Where?
9. Adjournment

## **Utility Advisory Board**

### **April 19, 2012**

1. **Call to Order:**

The meeting was called to order at 8:00 a.m. by Chair Eric DeLong, at the Grand Rapids Water Office, 1900 Oak Industrial Drive, NE.

2. **Attendance**

**Members Attending:**

Haris Alibasic, Alternate  
Bill Cousins  
Eric DeLong  
Ed Robinette  
Brian Donovan  
George Haga  
Wayne Jernberg  
Kathie Kuzawa, Alternate  
Pam Ritsema  
Breese Stam, Alternate  
Joellen Thompson  
Cathy VanderMeulen  
Linda Wagenmaker, Alternate  
Ron Woods

**Others:**

John Allen  
Mike DeVries  
Steve Kepley  
Eileen Pierce  
Scott Saindon

**Members Absent:**

Scott Buhrer  
Mark De Clercq  
Mike Lunn  
Chuck Schroeder  
Toby VanEss  
Josh Westgate

3. **Approval of Minutes:**

**Motion – 12-05:** Ed Robinette, supported by Brian Donovan, moved to approve the minutes of the February 16, 2012 meeting of the Utility Advisory Board as presented. Motion carried.

4. **Public Comment:** None

5. **GIS and REGIS:**

Eric DeLong referred members to the letters included in the meeting packet. Bill Cousins indicated that customer communities don't seem to be up to date on their GIS information. All the customer communities use REGIS and the City doesn't. He wonders if this is why information is being lost and if maybe it would be better if the City

also used REGIS. He noted that we should also look at whether all of us using REGIS would be more cost effective.

Ron Woods noted that we all know there have been problems with REGIS in the past. Kentwood uses REGIS extensively. He has been very impressed with their service. In this era of collaboration, he wonders why we aren't using this regional system. REGIS has indicated they can provide the necessary data and can provide it more inexpensively. We need to investigate this to see if this is true.

Eric DeLong noted that the City is paying to create the data that goes into the layers which consists, basically, of changing the as-builts into electronic format. He is open to investigating this more. Mr. DeLong asked that Pam Ritsema work with customer communities and staff to review this and come up with a recommendation. Brian Donovan noted that they just need one customer community representative to work with Pam. Bill Cousins volunteered to be their representative for this.

Brian Donovan added that REGIS has moved forward. They have time and availability to do this work. Eric DeLong indicated that, if REGIS has a business plan, it would be good for Ms. Ritsema to have. Brian Donovan indicated that Jeff Dood would be a good resource to work with Ms. Ritsema on this.

Cathy VanderMeulen clarified that the charge to the group is to come back with a recommendation. Eric DeLong agreed but added that he would like to see them answer all the questions that were raised by the customer communities as well as determine if there is a way for Grand Rapids to reengage with our partners in REGIS. He asked for Ms. Ritsema to provide an update at the next UAB meeting.

**6. Incentives to Increase Billed Flow:**

Eric DeLong reported that he was charged with contacting Right Place Inc. to see if they felt they could help us find customers to increase billed flow. He reported that he has talked with Right Place Inc. about this. There are new regional economic consortiums being organized by MEDC, and Right Place Inc. has now expanded to cover about 13 counties. Most of these counties have large agricultural and food processing segments. They have a problem with promoting our area only. They think they can promote agricultural food production, but any investment we would make would be spread over the entire 13-county region. If members are still interested, he can ask them to tell us what that would look like or we can do something on our own with our Economic Development Office.

Cathy VanderMeulen asked what the money would be used for. Mr. DeLong said they aren't really doing any marketing now, and he thinks it would go toward marketing in this region.

Wayne Jernberg noted that our rates may be higher than some of these other areas so we would need to know what counties are involved to evaluate this. Mr. DeLong will get this information to Mr. Jernberg.

Mike DeVries noted that, at one time, a natural gas plant was going to be built in Tallmadge Township that would have been a big user. This may be a good model to look at. He thinks using the Economic Development Office may be a better option. Eric DeLong will talk with Kara Wood, Economic Development Director, on this.

Ed Robinette noted that one of our goals is to control growth. Maybe it's time to look at connection fees that discourage growth and, instead, have ones that encourage growth. Eric DeLong noted that we wouldn't want to go back to what we had back in the 1980's, but we could look at doing something somewhat different than we do now. Mr. Robinette noted that he just wants to be sure we look at barriers that might be out there to growth and to selling more water.

Bill Cousins asked if there was space for these types of companies within the current system. Eric DeLong replied that we do have space within the Utility Service District. We may need to extend our current system to do it. Ed Robinette noted that this may be another barrier we might need to look at.

Eric DeLong and Wayne Jernberg will work on this more and gather more information. We will put this on the agenda again for next month.

## **7. Financial Reports:**

### **Water and Sewer Financial Reports for 3<sup>rd</sup> Quarter FY2012**

Scott Saindon reported that revenues are down and expenditures are up in Water. Some of this is due to the suspension of fee collection during CIS work. There were also some refunds that were needed due to incorrect billings. The big items in expenditures are in employee benefits. Electricity is up slightly due to new rates as well.

Cathy VanderMeulen asked if the increased personnel costs were budgeted for or not. Mr. Saindon reported that these were budgeted for and were expected. Eric DeLong noted that he wants to look at this more with Mr. Saindon to understand this better. He thinks hospitalization, for instance, should have been relatively flat.

Mike DeVries asked what impacts the negotiated changes to employee benefits will have. Eric DeLong reported that pension employer contribution rate has decreased, but the required contribution hasn't stabilized yet. We have funded the Annual Required Contribution for employee health care now so these should stabilize over time. Cathy VanderMeulen asked when the City started funding for the Annual Required Contribution. Mr. DeLong indicated that this began in FY2011.

Ron Woods asked if the \$700,000 isn't exceeding the budgeted amount. Pam Ritsema agreed this is strange, and we need to look at this more. Linda Wagenmaker noted that FY2012 rates were set before negotiations were settled so it will take some time for us to see the impacts of the benefit changes.

Ed Robinette asked about revenue being down on meters. Scott Saindon reported that there was a rate decrease and now that rate is increasing. Mr. Robinette asked if we are unhooking more meters than normal, and Joellen Thompson noted that this is not the case.

Scott Saindon noted that revenues are also down in sewer and expenditures are up slightly. The decrease in billed volume in Retail is being offset by the increased billed volume on the Wholesale side and the sewage surcharge has increased. Expenditures are similar to Water with personnel expenses and interest charges being up.

Cathy VanderMeulen asked if the new policy on claims has made any difference. Linda Wagenmaker indicated that they don't see the actual claims now, just the liability insurance for this. These rates are increasing. Eric DeLong noted that, overall, we aren't getting the amount of claims we had before so we should see liability rates go down eventually.

#### **FY2012 Statistical Data Report**

Mr. Saindon distributed charts on billed flow and water and sewer MG treated daily. He reviewed the charts with the group. It was noted that the billed flow information includes both water and sewer.

Eric DeLong asked about the daily treated chart and when the maximum amount occurred. Mr. Saindon noted this is the maximum for this month. It does not compare the data to the prior year.

#### **8. FY2013 Budget – Water Supply System**

Joellen Thompson referred members to the Water System information provided in the meeting packet and reviewed it briefly. She noted that the 2.5% reduction goal was met.

Eric DeLong asked if \$2,000,000 was in the budget for cash and carry projects and Ms. Thompson indicated this was correct. Mr. DeLong explained that this is an effort to rely more on cash financing rather than debt financing.

Linda Wagenmaker noted that personnel costs are projected to go down from FY12 to FY13. There is also less cost for computer services due to moving off the mainframe system. The outsourcing of our bill printing is another cost savings.

Ms. Thompson went on to report that since 2010 we have reduced about 40 positions in the Water System. We now have several vacancies that we will be reviewing very carefully to determine whether to fill them or not. Equipment increased for technology upgrades, for inventory upgrades for our supply room, and other upgrades.

Cathy VanderMeulen asked what formula we use as far as charge back for rental of equipment. Eric DeLong noted that there is a rental rate developed by the Fleet Department and charged to the System. The Water System has recently turned back

several pieces of equipment. Pam Ritsema noted that their rates are based on their actual costs but there is a lag in their billing. She added that we have asked for and now receive monthly reports on maintenance and fuel costs, etc., on each vehicle. Members noted the various methods used in their communities.

Steve Kepley asked if Grand Rapids shares vehicles among departments so you are only charged when you use the equipment. Eric DeLong replied that there is some equipment that is shared but most is assigned to one department's use. Joellen Thompson noted that they do share equipment between Water and Sewer but not with other departments. Mr. Kepley asked if it's possible to see the rates and compare it to a Schedule C or something. Linda Wagenmaker said we could do this for annual rates, and we have that information. Eric DeLong asked that this information be sent out to members.

Ms. Thompson then reviewed the capital budget for Water. Eric DeLong noted that we choose the capital projects by reviewing the Master Plan and coordinating with other projects that are going on. Breese Stam noted that we will need to get approval for the DWRP Plan for the updated project list.

Eric DeLong noted that the Sewage Disposal System Budget will be brought to the UAB next month, and we can consider a recommendation to the City Commission at that time if the UAB likes.

Linda Wagenmaker noted that unrestricted cash was \$16.9 million and we estimate this to be \$19.7 million at the end of FY2012. She noted the impacts from the increase or decrease in this amount. Spendable Equity is estimated at \$29 million at the end of FY2013.

#### **9. ACSET Update – First Quarter 2012**

Scott Saindon reported that we are seeing that this assistance is being requested much more this year. The total grant was \$167,859. They have already committed nearly \$89,000 to clients, plus their 10% fee, and with their second draw, the fund will have been fully expended. He referred to the map showing where the clients receiving help are located. He doesn't think the program will last as long as it did last year which was until about September. ACSET has asked if there was a possibility for additional funding from the City this year, and Mr. Saindon informed them that he is not aware of any methods for this.

ACSET is concerned about the increase in the amounts being requested. They feel this is because of clients getting further behind before requesting assistance. Mr. Saindon will be continuing to meet with ACSET on these issues.

Bill Cousins asked where the funding we provide comes from. Mr. Saindon indicated that it is from penalties and fines. It was noted that the fines were suspended briefly this year during the CIS work so the amount we will be able to provide next year will be even less. Linda Wagenmaker thinks it may be as much as \$20,000 less.

#### **10. Residential Cross Connection Program**

Wayne Jernberg reported that notices will go out the first week of May to the area being targeted this year for the program. This is the first zone that it will be the 2<sup>nd</sup> time through. Follow up notices will go out with final compliance required by August.

Bill Cousins asked about the pre-letters that the plumbers send out. Wayne Jernberg replied that they come in usually in January asking for the list of homes. He thinks we only got one request from a plumber this year.

#### **11. Customer Information System Update**

Wayne Jernberg reported that the last module for development and implementation is being done now. They are still working through some, mostly small, issues. Acceptance of the project is being discussed. They are developing a project completion plan to assure everything is in place before acceptance. Eric DeLong noted if UAB members have customers with issues, they should contact Joellen Thompson, Eileen Pierce or Wayne Jernberg so they are aware of the issues and can work on them.

Cathy VanderMeulen asked if the training was done with Customer Community staff. Joellen Thompson reported that one round of training was completed, but more can be scheduled.

Eric DeLong indicated that he wonders if water billings could possibly be done similar to how Income Tax Returns are being done with Chase. We should look into this.

#### **12. Water Quality Report**

Joellen Thompson reported that the Water Quality Report is being done differently this year. There are no pictures and no additional information. The report provides only the mandatory information on one side and the data on the back. This will go out with the water bills this year and may have already been sent to some. These changes were made to save on costs. It was noted that these still need to go out to the Wholesale customer communities so they can get it out to their customers. Ms. Thompson indicated that there will be some additional reports that need to be mailed to those residences that aren't water customers, apartment dwellers, and others in the City of Grand Rapids to meet the requirements.

#### **13. Water Service Line Insurance Plans FAQ**

Members were referred to the information provided in the meeting packet. Joellen Thompson will send the revised version of the FAQ to members for their websites. Ron Woods asked if this was Water only or if they are focusing on sewer as well. It was noted that this company's flyer only discusses water, not sewer. The FAQ would be

basically the same for sewer, except it would be the ROW line not the curb box where the responsibility changes.

#### **14. Contract Awards**

Members were referred to the information in the meeting materials.

#### **15. Solar Project**

Haris Alibasic reported that the solar project at 1900 Oak Industrial Drive should be done by the end of May. Photos of the rooftop installation were displayed. The project is coming along nicely. We will have a monitor that will show the output. We will hold a press event when the project is complete to kick it off.

#### **16. Items from Members**

Linda Wagenmaker noted that Rate Study Books are available for anyone that didn't get them last time.

Bill Cousins asked if a contractor needs a permit to do work in the right of way. Does the City have to notify the Township when doing work there? Wayne Jernberg said we notify MDOT and have an annual permit. It was noted that the City is responsible for repairing the pavement or sidewalk after we do the work. Mr. Jernberg explained how this happens. Mr. Cousins indicated he is concerned that the Township doesn't know when something is going to be torn up and when it will be repaired. Without being notified, he doesn't know if it's the Water or Sewer System or a private contractor doing the work. Joellen Thompson and Wayne Jernberg indicated they will work on a way of providing notification to members. Ron Woods noted it would be helpful to get the information prior to any planned work rather than after the work is complete. Work orders go to engineers now and possibly we could copy members on these.

Bill Cousins noted that there seems to be an issue with the Lacks project on Knapp. The City is saying they weren't in the loop soon enough. Wayne Jernberg said he isn't aware of any issue. Mr. Cousins noted that Larry Olson was looking for additional information, but he isn't sure what exactly it is that he didn't provide early enough. He wants to be sure he can provide this in a timely fashion in the future. Wayne Jernberg will follow up on this. In future it may be just an email to Water/Sewer that is needed when their Planning Department gets plans in for a new project.

Bill Cousins reported a private water main was converted to a public water main when they took over a park. The final approval of this didn't go to the City Commission. We are getting this straightened out now. He just wanted to note that before he could even act on this, the City was already working on it, and he wanted to say thanks.



Cathy VanderMeulen noted that she wanted thank the Water Department staff for finding an illegal connection where folks were getting free water for several years. She appreciated being kept in the loop on what was happening with that.

**17. Next Meeting**

The next meeting of the UAB will be on Thursday, May 17, 2012, at 8:00 a.m., at the City of Grand Rapids Water Administration Building, 1900 Oak Industrial Drive NE.

# MEMORANDUM

CITY OF GRAND RAPIDS

DATE: May 10, 2012

TO: Utility Advisory Board

FROM: Pam Ritsema  
Managing Director - Enterprise Services

**SUBJECT: Laboratory Services Agreement with the City of Wyoming**

As part of the Water Department's ongoing transformation process, laboratory services was identified as a potential opportunity for cost reduction through collaboration with the City of Wyoming ("Wyoming"). Wyoming operates a State of Michigan certified drinking water laboratory and has sufficient equipment, facilities and properly trained and qualified personnel to provide the laboratory services called for under the proposed agreement. Further, Wyoming wishes to provide laboratory services to Grand Rapids such that each City will benefit from the efficiency gains of having a single point of service delivery. Wyoming and Grand Rapids are authorized to enter into the proposed agreement pursuant to Act No. 35 of the Public Acts of 1951, as amended and Act No. 8 of the Public Acts of 1967 (Ex. Sess.), as amended.

Water Department personnel initiated discussions with Wyoming in early 2011 including financial analysis, process evaluation, and regulatory considerations. Earlier this year, the City concluded that significant financial savings could be achieved while continuing to meet all regulatory requirements and still provide our customers with a safe, high quality product. Estimated savings result from both the reduction of laboratory personnel as well as lower overall testing costs from Wyoming.

The projected five-year savings from this proposed agreement total \$1,106,256 as follows:

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Personnel (1)	\$183,097	\$190,325	\$197,193	\$201,288	\$204,713
Testing	\$ 25,928	\$ 25,928	\$ 25,928	\$ 25,928	\$ 25,928
Total	\$209,025	\$216,253	\$223,121	\$227,216	\$230,641

(1) Data per Preliminary Fiscal Plan FY2013-FY2017

Under the proposed agreement, personnel time for sample collection could potentially be reduced to as few as twelve hours per week as opposed to twenty currently. This would be accomplished by compressing our sample collection time and arranging the site sampling schedule such that it is more geographically efficient. By doing this, approximately 400 hours annually can be redirected to other activities. At FY13 projected cost levels, that equates to approximately \$17,500 in resource reallocation.

Additional future savings will likely result from decreases in both capital investment and third-party laboratory testing. Wyoming anticipates offering additional testing and services in the future, driving further cost reductions. Finally, this collaboration may also qualify for Economic Vitality Incentive Program ("EVIP") funds from the State of Michigan.

The testing methods used by Wyoming are more cost-effective than their Grand Rapids counterparts in part because they require fewer steps to complete and a fewer number of tests are necessary each month. This collaboration affords benefits not available from outsourcing to a commercial laboratory in that the Wyoming lab is an integrated part of the water plant and their personnel fully understand the applicable regulations, procedures, and reporting requirements. As such, the Wyoming lab will do more than simply generate data. Wyoming has established a model for delivering lab services to external customers and currently serves nine wholesale communities in West Michigan. These communities are provided analytical services and guidance on regulatory programs, sample collection procedures, and data interpretation.

To sum, the proposed agreement offers several key benefits in addition to the financial savings outlined above:

- Knowledge and technical guidance – The Wyoming laboratory staff understand the processes, procedures and regulatory environment of drinking water treatment. This knowledge, experience, and technical guidance are resources which cannot be provided by most private laboratories.
- Access to services – The Wyoming Water Treatment Plant is a 24 hour operation and is located close to many of the lakeshore treatment plants, making service easily accessible.
- Intergovernmental Cooperation – The consolidation of laboratory services to a central laboratory can be a measure which provides cost savings and greater staff flexibility through the elimination of redundant services.

The proposed "Laboratory Services Agreement" is attached for your review and recommendation including exhibits detailing cost per test (Exhibit "A") as well as the following service model provisions: laboratory certification, microbiological methods, sample handling procedures, data reporting and continuity of services (Exhibit "B").

PR/sas: UAB Lab Services Memo\_051712.docx

cc: Eric DeLong, Deputy City Manager  
Joellen Thompson, Water System Manager  
John Allen, Water Filtration Plant Superintendent

## LABORATORY SERVICES

### AGREEMENT

This Laboratory Services Agreement (the "**Agreement**") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2012, between the City of Wyoming, a Michigan municipal corporation, the address of which is 1155 28<sup>th</sup> Street, SW, Wyoming, Michigan 49509 ("**Wyoming**"), and the City of Grand Rapids, a Michigan municipal corporation, the address of which is 300 Monroe Avenue, NW, Michigan 49503 ("**Grand Rapids**").

### RECITALS

1. Wyoming wishes to provide laboratory services to Grand Rapids such that each City will benefit from the efficiency gains of having a single point of service delivery.
2. Wyoming operates a State of Michigan certified drinking water laboratory and has sufficient equipment, facilities and properly trained and qualified personnel to provide the laboratory services called for under this Agreement. Wyoming is amenable to provide these services for Grand Rapids, subject to the terms and conditions of this Agreement.
3. Wyoming and Grand Rapids are authorized to enter into this Agreement pursuant to Act No. 35 of the Public Acts of 1951, as amended and Act No. 8 of the Public Acts of 1967 (Ex. Sess.), as amended.
4. For purposes of this Agreement, "**Customer**" refers to the City of Grand Rapids and "**Provider**" refers to the City of Wyoming.

### AGREEMENT

Now, therefore, for good and valuable consideration in and referred to in this Agreement, the sufficiency of which is acknowledged, the parties agree:

A. Retention. Subject to the terms of this Agreement, Grand Rapids does hereby retain the services of Wyoming (and its personnel), as an independent contractor, to provide certified drinking water laboratory services.

B. Duties of Wyoming as Provider. The Provider shall provide laboratory services consistent with the procedures, practices and provisions required of a State of Michigan certified drinking water laboratory. The Provider is obligated to maintain State of Michigan drinking water certification for all contracted laboratory services during the term of this Agreement and the Provider shall notify the Customer should there be any lapse in any laboratory drinking water certification held by the Provider.

The Provider shall maintain for the Customer complete records of the services performed pursuant to this Agreement. Complete records include laboratory reports, quality control reports including any and all data qualifications, instrument calibration and maintenance records, chain of custody information including dates and times of sample collection, sample receipt and processing information throughout the entire analytical procedure including analyst identification.

The Provider shall perform all designated services in a timely and competent manner which is satisfactory to the Customer and as stipulated in Exhibit B (attached). The services to be performed by the Provider's personnel pursuant to this Agreement are acknowledged by the parties to be governmental functions in accordance with Act No. 170 of the Public Acts of 1964, as amended. Nothing herein shall be construed or interpreted as a waiver of the parties' privileges and immunities as agencies performing governmental functions under state law.

C. Equipment and Supplies. The Provider shall provide and maintain, at its own expense, such equipment and supplies necessary to perform the duties required by this Agreement.

D. Motor Vehicles. The Provider shall provide any motor vehicles required for the performance of its duties pursuant to this Agreement and shall be responsible for all expenses associated with the operation of such motor vehicles, including gasoline, maintenance, repairs, insurance, and all incidental costs. Motor vehicles shall be in good repair and identifiable as representing Wyoming.

E. Compensation. As compensation for the services provided pursuant to this Agreement, the Customer shall pay the Provider in accordance with the schedule of fees as stated in Exhibit A attached to this Agreement. The schedule of fees may be periodically adjusted upon written approval of the Grand Rapids Water System Manager and the Wyoming Director of Public Works or their designees. Such approval shall include the effective date of the new rates and be duly signed by both parties.

The Provider shall not be entitled to any benefits or payments of any kind in the provision of these services, except as provided for in this Section E. The Provider shall invoice the Customer monthly for services rendered and the Customer shall reimburse the Provider within 30 days of invoicing.

F. Independent Contractor. In the performance of all work, duties and obligations pursuant to this Agreement, it is mutually understood and agreed that the Provider, its officers and employees are and shall be at all times acting and performing as an independent contractor. The Customer shall neither have, nor exercise, any control or direction over the methods by which the Provider's personnel perform the work and functions called for under this Agreement, except that the Provider agrees at all times to

comply completely and fully with the provisions of this Agreement. The Customer may perform or cause to be performed random quality assurance actions related to the service provided.

G. Comprehensive General Liability Insurance and Indemnification. Wyoming shall at all times secure and maintain in force comprehensive general liability insurance. This insurance shall be written in comprehensive form and shall protect against all claims for personal and bodily injuries to members of the public and damage to property arising from any act or omission of the Provider under this Agreement. The parties acknowledge that the insurance liability limits provided may include self-insurance retention under the terms of a municipal self-insurance risk management program (e.g. Michigan Municipal Risk Management Authority). Grand Rapids shall indemnify Wyoming against and save Wyoming harmless from any liability or claim for damages arising from the water samples and the collection of such samples by Grand Rapids and their delivery to Wyoming for testing pursuant to this Agreement except those that arise from the negligence of Wyoming or its employees or agents and is not otherwise covered by insurance carried by Wyoming. Wyoming shall indemnify Grand Rapids against and save Grand Rapids harmless from any liability or claim for damages arising from the services to be performed by Wyoming pursuant to this Agreement except those that arise from the negligence of Grand Rapids or its employees or agents and is not otherwise covered by insurance carried by Grand Rapids.

The liability limits shall not be less than:

Bodily Injury:	\$1,000,000 each occurrence; \$2,000,000 annual aggregate.
Property Damage:	\$1,000,000 each occurrence; \$2,000,000 annual aggregate.

Wyoming shall promptly notify Grand Rapids of any knowledge regarding any occurrence which may result in a claim, and the parties hereto shall cooperate with each other whenever any claim is filed with respect to the services rendered pursuant to this Agreement.

Any such policy(ies) of insurance shall name or provide that Grand Rapids shall be named as an additional insured and shall be payable as to Grand Rapids or as Grand Rapids specifies. Any such policy(ies) shall further provide that it(they) shall not be subject to non-renewal, cancellation or termination without not less than 30 days prior written notice to Grand Rapids.

H. Term. The term of this Agreement shall commence on the date above written and shall continue until terminated as provided herein.

I. Termination by Notice. This Agreement may be terminated by Wyoming or Grand Rapids, without cause or reason, at any time, upon ninety (90) business days' written notice to the other party. In the event of termination, the Customer shall pay to the Provider any and all amounts due for work performed under this Agreement to the date of termination provided, however, the indemnification provisions contained in Section G. of this Agreement shall continue beyond the term of this Agreement.

J. Effect of Termination. Upon termination or expiration of this Agreement, the parties shall have no further obligation to each other except for obligations accruing prior to the effective date of the termination or expiration. However, Wyoming and Grand Rapids shall be obligated to cooperate with each other whenever any claim is filed against either of them with respect to the services rendered pursuant to this Agreement, which obligation shall continue without regard to termination or expiration of this Agreement.

K. Miscellaneous. This Agreement shall be non-assignable. This Agreement shall inure to the benefit of and be binding upon the parties and their respective assigns and successors. All notices and other documents to be served or transmitted shall be in writing and addressed to the respective parties at the addresses stated above or such other address or addresses as shall be specified by the parties from time to time, and may be served or transmitted in person or by ordinary or certified mail properly addressed with sufficient postage. Alternative means of transmittal utilizing electronic media may be used as agreed upon by both parties and in conformance with applicable laws and regulations pertaining to its use. Records shall be retained in conformance with State of Michigan General Record Retention and Disposal Schedule adopted by the respective party. Freedom of information requests pursuant to 1976 P.A. 442, as amended, related to the services provided in this Agreement shall be processed according to rules governing such requests of the party to whom the request is directed. Parties to this Agreement shall promptly notify each other of such requests. This Agreement has been executed in the State of Michigan and shall be governed by Michigan law. The waiver by any party of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach or violation of the same or any other provision of this Agreement. If any section or provision of this Agreement is unenforceable for any reason, the unenforceability shall not impair the remainder of this Agreement, which shall remain in full force and effect. This Agreement represents the entire understanding and agreement between the parties regarding the subject matter hereof, and all prior understandings and agreements are specifically merged in this Agreement. The captions in this Agreement are for convenience only and shall not be considered as part of this Agreement or in any way amplifying or modifying its terms and provisions.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CITY OF WYOMING

By: \_\_\_\_\_  
Jack Poll, Mayor

Attest: \_\_\_\_\_  
Heidi Isakson, Clerk

CITY OF GRAND RAPIDS

By: \_\_\_\_\_  
George Heartwell, Mayor

Attest: \_\_\_\_\_  
Lauri S. Parks, Clerk



## EXHIBIT A

Method	Reference	Purpose	Cost/Test
Colilert	SM 9223B	Total Coliform/E. Coli	\$9.00
LTB Presence/Absence - Presumptive	SM 9221D	Total Coliform/E. Coli	\$13.50
LTB Presence/Absence – Completed	SM 9221D	Total Coliform/E. Coli	\$15.00
Quanti-Tray	SM 9223B	Total Coliform/E.Coli enumeration	\$10.50
R2A Pour Plate	SM9215B	Heterotrophic Plate Count	\$7.00
SimPlate*	SM9215E	Heterotrophic Plate Count	\$7.00

\* Note: Upon approval of the MDEQ, the City of Wyoming laboratory will be discontinuing the R2A Pour Plate method for Heterotrophic Plate Count. The Pour Plate Method will be replaced by the IDEXX SimPlate method. The cost per test will not change as a result of the method change. The expected date of the change is June 2012.

Approved:

City of Wyoming \_\_\_\_\_ Dated: \_\_\_\_\_, 2012

City of Grand Rapids \_\_\_\_\_ Dated: \_\_\_\_\_, 2012

Effective: \_\_\_\_\_, 2012

## EXHIBIT B

### City of Wyoming Water Treatment Plant Proposal for Provision of Microbiological Services

#### **Laboratory Certification**

The City of Wyoming Water Treatment Plant has a full service laboratory, with staffing and instrumentation necessary to perform numerous drinking water analyses required for regulatory compliance. Currently, the laboratory serves the City of Wyoming and several wholesale customer communities in providing analytical services and guidance on regulatory programs, sample collection procedures, and data interpretation.

The City of Wyoming Water Treatment Plant Laboratory is certified by the Michigan Department of Environmental Quality for compliance monitoring under the Safe Drinking Water Act, 1976 PA 399, as amended. The certification covers the following parameters:

#### Microbiology (Full Certification)

- Total Coliform (SM 9221D)
- Total Coliform and E.coli (SM 9223B)
- Fecal Coliform (SM 9221E)
- E.coli (SM 9221F)
- Enumeration of E.coli (SM 9223B, multiple well)
- Heterotrophic Plate Count (SM 9215B)

#### Inorganic Chemistry (Full Certification)

- Fluoride (SM 4500-F-C)
- Lead and Copper (EPA Method 200.5)

#### Organic Chemistry

- Regulated and Unregulated Volatile Organic Chemicals and Total Trihalomethanes (EPA Method 524.2)
- Haloacetic Acids (EPA Method 552.2)

## **Microbiological Methods**

The laboratory currently offers the following methods for microbiological testing:

### Coliform Testing – Presence/Absence Methods

- Colilert (24 Hour) – Total Coliform/E.Coli
  - May be used with Quanti-Tray for enumeration
- Presence/Absence Broth (LTB method)
  - Presumptive, confirmed, completed phases

### Heterotrophic Plate Count

- R2A Agar Pour Plate
- IDEXX SimPlate – expected certification for method in 2012

The Wyoming laboratory staff keeps abreast of new testing methods and technologies. Should new methods be identified that may offer advantages (i.e. cost savings, ease of use, shorter test duration) the laboratory will evaluate the methods against those presently offered. The laboratory will conduct any comparison studies, performance testing, or other requirements necessary to obtain certification before offering additional analytical methods.

### Coliform Testing

Distribution System Routine Monitoring samples will be analyzed for coliform bacteria using two methods (Presence/Absence LTB, Colilert). Construction samples will be analyzed using Presence/Absence LTB Method.

- Presence/Absence LTB Method
  - 48 hour method which requires additional confirmation tests for any positive result
  - Does not provide enumeration, but is sensitive to background growth which can indicate water quality issues.

- *Samples will be analyzed once per week using this method (1/4 of total samples per month)*
- Colilert Method
  - 24 hour method which does not require additional confirmation testing
  - *Samples will be setup using this method 3 days per week (3/4 of total samples per month)*

#### Heterotrophic Plate Count

- Current method (R2A Agar Pour Plate) is a 48 hour test
- In 2012, IDEXX SimPlate will replace Pour Plate method. SimPlate is a 48 hour test.
- *Each site will be tested once per month.*

#### **Sample Handling Procedures**

- The customer is responsible for collection of samples, as well as delivery to either the laboratory or the Clean Water Plant for transport by courier.
- Samples will be accepted by the laboratory Monday - Thursday between 7:00am and 4:00pm. For sample submission outside of the standard hours (i.e. resamples, construction samples), arrangements should be made with laboratory staff and/or a plant operator.
- Samples may be transported to the Water Treatment Plant from the Clean Water Plant in Wyoming via courier service Monday through Thursday. Samples must be dropped off no later than 11:00am to be transported by courier on the same day.
- Courier service is NOT offered on Fridays or City of Wyoming holidays.
- Routine distribution system monitoring samples being analyzed using the LTB Broth Presence/Absence method will only be accepted on Mondays. New construction samples being analyzed using the LTB Broth Presence/Absence method will be accepted at any time.
- Sample bottles and labels may be obtained from either the Water Treatment Plant or the Clean Water Plant. Samples submitted in other containers/bottles will not be accepted.

- The laboratory utilizes a bar-coding system to track sample data and results. All samples must have a barcode label. Sample data should be written in the appropriate spaces on the bottle label.
- Samples must be entered into the database system by sampling personnel at the time of drop-off at either the Water Treatment Plant or the Clean Water Plant.
- Laboratory staff will provide training on sample handling procedures for all field staff.

### **Data Reporting**

The laboratory utilizes an electronic record keeping and data reporting system which has been reviewed by MDEQ during the certification audit process. This system allows for generation of reports for a single sample as well as multiple samples (by type, address, date range, etc.). Monthly reports appropriate for submission with MOR's can also be generated. To maintain security and integrity, access to data and reports is available for authorized personnel only. Electronic records are maintained in accordance with the necessary records retention requirements.

- The laboratory is responsible for providing data to the customer. The customer is responsible for reporting the data to the appropriate agencies (i.e. MDEQ, EPA).
- Any positive (failing) results will be communicated by the Laboratory Services Manager or an authorized designee by phone to the Grand Rapids Water System Manager and Water Filtration Plant Manager immediately after becoming aware of and validating the test results. Follow-up Communication shall include an email to the aforementioned individuals within one hour of phone notification providing details of the positive (failing) results.
- All results will be summarized and reported to the customer on a weekly basis. Reports will be sent via e-mail to customers no later than Wednesday.
- For distribution system samples, previous month summary reports (for submission to DEQ with MOR) including test results, Min/Max/Avg Chlorine Residuals, and total number of passing samples will be provided by the end of the 5<sup>th</sup> day of the month.

- Construction sample results will be provided to Grand Rapids Field Operations personnel within one business day after the conclusion of the analysis. Construction results from tests conducted over a weekend will be available by 8:00 AM the following Monday. Construction sample results will only be given to water system staff – they will NOT be given directly to contractors.

**Continuity of Services**

In the event of extenuating circumstances that may impair testing capabilities, the lab will submit samples to a private, third-party certified laboratory for analysis. Should the need arise, Wyoming shall provide timely notification to Grand Rapids of the use of the services of any third-party certified laboratory. .

3/23/2012 - 9:33 AM

# SEWAGE SYSTEM RECEIVING/OPERATIONS (ENSDS500)

## STATEMENT OF OPERATIONS

	2011 Actuals *	2012 Adopted	2012 Amended	2012 Adopted Estimate	2013 Adopted Proposed	2014 Adopted Forecast	2015 Adopted Forecast	2016 Adopted Forecast	2017 Adopted Forecast
<b>REVENUE</b>									
<u>RECEIVING/OPERATIONS (ENSDS500)</u>									
401 Taxes	0	0	0	0	0	0	0	0	0
450 Licenses And Permits	70,529	60,000	60,000	58,000	62,000	64,000	66,000	68,000	70,000
501 Intergovernmental Revenues	0	0	0	0	0	0	0	0	0
600 Charges For Services	49,923,594	50,227,752	50,227,752	51,228,853	52,375,155	53,422,062	54,489,252	55,577,136	56,686,135
655 Fines And Forfeitures	0	0	0	0	0	0	0	0	0
664 Interest And Rents	283,149	296,000	296,000	175,000	175,000	180,000	185,000	195,000	200,000
671 Other Revenue	963,135	782,000	782,000	589,589	665,000	690,000	725,000	760,000	795,000
695 Other Financing Sources	0	0	0	0	0	0	0	0	0
<b>RECEIVING/OPERATIONS Total Revenue</b>	<b>51,240,407</b>	<b>51,365,752</b>	<b>51,365,752</b>	<b>52,051,442</b>	<b>53,277,155</b>	<b>54,356,062</b>	<b>55,465,252</b>	<b>56,600,136</b>	<b>57,751,135</b>

## EXPENDITURES

### RECEIVING/OPERATIONS (ENSDS500)

701 Personal Services	8,642,417	9,281,179	9,281,179	9,021,369	9,672,441	9,968,809	10,157,108	10,239,379	10,322,598
726 Supplies	1,424,828	1,679,023	1,807,505	1,190,775	1,522,801	1,717,049	1,724,514	1,671,475	1,679,027
800 Other Services And Charges	11,229,568	12,168,974	13,562,494	12,083,713	12,052,790	12,438,145	13,060,361	13,304,008	13,288,030
970 Capital Outlay	0	170,000	170,000	112,000	233,500	170,000	170,000	170,000	170,000
990 Debt Service	11,239,789	12,607,019	12,607,019	12,349,576	13,566,217	13,573,662	14,939,785	14,588,130	14,218,622
996 Appropriation Lapse	0	(1,030,000)	(1,030,000)	0	(1,053,000)	(1,091,000)	(1,128,000)	(1,143,000)	(1,149,000)
999 Transfers Out - Cost Allocation & Dev Center	2,918,680	2,611,809	2,611,809	2,805,723	2,150,810	2,211,012	2,262,101	2,290,522	2,319,091
999 Transfers Out - Capital Cash Projects	3,010,000	3,010,000	3,010,000	3,010,000	6,326,000	1,679,000	4,630,000	600,000	1,260,000
<b>RECEIVING/OPERATIONS Total Expenditures</b>	<b>35,455,282</b>	<b>40,498,004</b>	<b>42,020,005</b>	<b>40,573,166</b>	<b>44,471,559</b>	<b>40,666,677</b>	<b>45,815,869</b>	<b>41,720,514</b>	<b>42,108,368</b>

### RECEIVING/OPERATIONS NET INCOME (LOSS)

#### Other Sources & Uses of Cash

Less: Payment of Debt Service Principal

#### Net Change in Available Cash

### Unrestricted Cash - Beginning of Year

### Unrestricted Cash - End of Year

#### Reserve Targets:

Assigned to Reserves - 25% of Current Spending

Unassigned Cash

Total	15,266,216	17,843,683	16,321,682	18,454,221	18,086,688	22,280,297	23,219,586	30,404,499	38,260,266
Unassigned Cash as a % of Total Current Spending	10.17%	11.57%	7.44%	12.77%	8.72%	19.42%	17.58%	36.53%	51.68%

### CASH BASIS DEBT SERVICE-SENIOR

### DEBT COVERAGE RATIO-SENIOR DEBT

### CASH BASIS DEBT SERVICE-JUNIOR

### DEBT COVERAGE RATIO-ALL DEBT

\* Per CAFR; debt coverage ratio per Continuing Disclosure

		2012 Adopted	2013 Adopted	Variance	% Change	Comments
<b>SEWAGE DISPOSAL SYSTEM FUND</b>						
<b>RECEIVING/OPERATIONS (ENSDS500)</b>						
476009	INDUSTRIAL PRETREATMENT PERMITS	60,000	62,000	2,000	3.3%	
607001	MISCELLANEOUS SERVICE FEES	10,000	0	(10,000)	(100.0%)	DUE TO ALIGNMENT WITH FY12 ESTIMATE OF \$400; FY11 ACTUAL WAS ZERO
607060	INSPECTION FEES - UTILITIES	0	23,660	23,660	100.0%	BOTH WATER AND SEWER INSPECTIONS WERE PREVIOUSLY ALL POSTED TO 4311 (WSS FUND); NOW THE INSPECTIONS ARE BEING SEGREGATED BETWEEN WATER AND SEWER (POST-CIS IMPLEMENTATION); THE INCREASE IS ALSO THE RESULT OF THE MARYLAND ESTATES AND EAST LEONARD HEIGHTS FOOTING DRAIN DISCONNECT PROGRAM - THESE PROGRAMS HAVE LED TO AN INCREASE IN THE NUMBER OF STORM INSPECTIONS WHICH ARE INCLUDED IN THIS ACCOUNT ALONG WITH THE SANITARY INSPECTIONS. THE STORM INSPECTIONS ARE \$70 EACH AND ALONE ACCOUNT FOR \$4,760 IN REVENUE FOR THE THREE-MONTH PERIOD OF DECEMBER 2011 THRU FEBRUARY 2012
607061	FRONT FOOTAGE	0	40,000	40,000	100.0%	MOVED FROM 607061; ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM); \$10K DECREASE DUE TO ALIGNMENT WITH FY12 ESTIMATE OF \$30K
607063	INTEGRATED CONNECTION FEES	0	618,000	618,000	100.0%	MOVED FROM 607069; ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM); REFLECTS PROJECTED 3% INCREASE OVER 2012
607064	ADA SEWAGE SERVICE CHARGE	1,213,013	0	(1,213,013)	(100.0%)	MOVED TO 607060; ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM)
607065	RETAIL SEWAGE SERVICE	46,157,914	46,980,527	822,613	1.8%	CALENDAR 2012 RATE INCREASE OF 2.89%; 2013 RATE INCREASE PROJECTED AT 2%
607066	WYOMING SEWAGE SERVICE	50,000	90,000	40,000	80.0%	DUE TO ALIGNMENT WITH FY12 ESTIMATE OF \$88K AND FY11 ACTUAL OF \$85,962
607067	INDUSTRIAL DISCHARGE AUTHORIZAT	42,000	35,000	(7,000)	(16.7%)	
607069	SEWAGE CONNECTION FEES	600,000	0	(600,000)	(100.0%)	MOVED TO 607063; ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM)
607060	WHOLESALE SEWAGE SERVICE	684,392	2,104,268	1,419,876	207.5%	MOVED FROM 607064 (ADA) AND 607062 (GAINES); ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM); REFLECTS CALENDAR 2012 RATE INCREASE; REFLECTS PROJECTED 2% COMMODITY CHARGE INCREASE (CALENDAR 2013); ASSUMES VOLUME UNCHANGED FROM 2011 LEVELS; MONTHLY SERVICE CHARGE UNCHANGED;
607061	SEWAGE FRONT FOOTAGE	50,000	0	(50,000)	(100.0%)	MOVED TO 607061; ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM)
607062	GAINES TWP SEWAGE SERVICE CHG	147,433	0	(147,433)	(100.0%)	MOVED TO 607060; ACCOUNT STRUCTURE CONSOLIDATED FOR GP-FM (NEW FINANCIAL SYSTEM)
607074	SEWAGE SURCHARGE	1,273,000	2,483,700	1,210,700	95.1%	INCREASED VOLUME FROM EXISTING CUSTOMERS AND EXPANSION OF CUSTOMER BASE
666002	OTHER INTEREST INCOME	5,000	0	(5,000)	(100.0%)	
672002	INTEREST/PENALTIES ON SPEC ASSM	20,000	10,000	(10,000)	(50.0%)	FY11 ACTUAL WAS \$10K; FY12 EST IS \$5K
676001	REFUNDS - EXPENDITURES	10,000	0	(10,000)	(100.0%)	IMMATERIAL AND UNPREDICTABLE - CONSERVATIVE TO BUDGET ZERO
676007	EXPENDITURE - REIMBURSEMENT	700,000	650,000	(50,000)	(7.1%)	GYRBA REIMBURSEMENTS; FY12 EST IS \$688,589 (22% GROWTH FROM FY11 ACTUAL); \$650K IS 14% GROWTH FROM FY12 EST
694012	NON-SUFFICIENT FUNDS CHECK CHG	40,000	0	(40,000)	(100.0%)	NSF PROCESS CHANGES (TRANSACTION FLOW) POST-CIS IMPLEMENTATION
694014	MISCELLANEOUS OTHER	12,000	5,000	(7,000)	(58.3%)	
<b>RECEIVING/OPERATIONS Total</b>		<b>51,075,752</b>	<b>53,102,155</b>	<b>2,026,403</b>	<b>4.0%</b>	
<b>TREASURER-INTEREST-SDS-500</b>						
666001	INTEREST ON INVESTMENT	290,000	175,000	(115,000)	(39.7%)	AMOUNTS CALCULATED AND PROVIDED BY TREASURER
<b>TOTAL - SEWAGE DISPOSAL SYSTEM FUND</b>		<b>51,365,752</b>	<b>53,277,155</b>	<b>1,911,403</b>	<b>3.7%</b>	



Subsource	2012		2013		Variance	% Change	Comments
	Adopted	Actual	Adopted	Actual			

## SEWAGE DISPOSAL SYSTEM FUND

<b>RECEIVING/OPERATIONS (ENSDS500)</b>							
7020	PERMANENT EMPLOYEES	5,670,299	5,735,470	65,171	1.1%		NEW BUYER POSITION
7025	ACT.ASSIGNMENT	12,500	13,500	1,000	8.0%		
7050	REGULAR HOURLY RATE	71,202	75,000	3,798	5.3%		
7055	TIME & ONE-HALF	167,369	131,737	(35,632)	(21.3%)		FOCUSED REDUCTION AS PART OF TRANSFORMATION & RESTRUCTURING
7105	EMPLOYERS SOCIAL SECURITY	437,176	457,469	20,293	4.6%		NEW BUYER POSITION
7110	HOSPITALIZATION INSURANCE	1,409,867	1,240,915	(168,952)	(12.0%)		DECREASED RATE (\$13,433 IN FY12; \$12,910 IN FY13)
7115	RETIREE HEALTH CARE	1,220,391	827,259	(393,132)	(32.2%)		DECREASED RATE (21.34% IN FY12 VS. 14.30% IN FY13)
7120	RETIREMENT FUND CONTRIBUTION	1,164,188	1,051,007	(113,181)	(9.7%)		DECREASED RATE (20.13% IN FY12 VS. 18.01% IN FY13)
7125	SPECIAL PENSION BENEFITS	9,452	13,373	3,921	41.5%		
7135	UNEMPLOYMENT COMPENSATION	8,194	8,099	(95)	(1.2%)		
7150	LONGEVITY PAY	48,465	49,360	895	1.8%		
7160	TEMPORARY EMPLOYEES	45,153	51,835	6,682	14.8%		
7165	SHIFT DIFFERENTIAL	11,250	15,000	3,750	33.3%		
7175	FOOD/CLEAN/CAR ALLOWANCE	2,418	2,418	0	0.0%		
7199	DEFAULT PAYROLL	(996,746)	0	996,746	(100.0%)		10% ESTIMATE FOR TARGETED PAY REDUCTIONS (FY12 ONLY)
		9,281,179	9,672,442	391,263	4.2%		
<b>UV LIGHTS HAVE LONGER LIFE AND THE LAPSE IS HIGH</b>							
7260	SUPPLIES	1,661,523	1,502,801	(158,722)	(9.6%)		
7300	POSTAGE	1,500	2,000	500	33.3%		
7680	CLOTHING	16,000	18,000	2,000	12.5%		REDUCED DATA CHARGES RESULTING FROM FINANCIAL SYSTEM MIGRATION OFF THE MAINFRAME AND GIS TAKEOVER
8140	COMPUTER SERVICES	375,081	354,551	(20,530)	(5.5%)		ENGINEERING DEPT FEE FOR COST RECOVERY FOR NON-PROJECT RELATED SERVICES
8160	ENGINEERING SERVICES	0	47,139	47,139	100.0%		INCREASED GVRBA PAYMENTS
8180	CONTRACTUAL SERVICES	5,925,667	6,047,320	121,653	2.1%		NON-DISCRETIONARY GENERAL LIABILITY INSURANCE RATE DECREASE, SCHEDULED CLAIMS REDUCED BY \$150K - CLAIMS POLICY CHANGED TO CONFORM TO STATE LAW
							RATE INCREASE; NON-DISCRETIONARY
8355	CLAIMS	553,844	277,027	(276,817)	(50.0%)		ENERGY CONSERVATION PROJECTS
8450	INSURANCE PREMIUMS	184,580	198,442	13,862	7.5%		PROJECTED SAVINGS FROM HEAT RECOVERY PROJECTS
8500	TELEPHONE	145,753	145,753	0	0.0%		SWITCHGEAR TESTING/REPAIR (\$15K); CAULKING/CRACK REPAIR (\$10K); GC/MS AUTOSAMPLER AND P&T MAINT (\$5); LAB WATER SYSTEM (\$3K); GAS DETECTOR REPAIR (\$3K); ICP MAINT (\$3,500)
8800	COMMUNITY PROMOTION	0	200	200	100.0%		
9000	PRINTING & PUBLISHING	10,600	13,100	2,500	23.6%		
9210	ELECTRICITY	2,615,332	2,528,255	(87,077)	(3.3%)		
9220	WATER	51,931	52,277	346	0.7%		
9230	NATURAL GAS	325,200	318,439	(6,761)	(2.1%)		
9300	MAINTENANCE SERVICE	444,281	481,953	37,672	8.5%		
9310	HOME REPAIR	100,000	100,000	0	0.0%		

City of Grand Rapids  
Dept. Budget Variance by Subfund - Expense  
Budget 2013, Version 1  
ENVIRONMENTAL PROTECTION (4400000000000)

Subfund	2012 Adopted	2013 Adopted	Variance	% Change	Comments
9410 BUILDINGS RENTALS OR LEASE	20,933	20,607	(326)	(1.6%)	
9420 EQUIPMENT RENTALS OR LEASE	1,291,482	1,328,069	36,587	2.8%	INCREASED MES RATES; UP 6% OVERALL IN FY13
9430 LAND RENTAL OR LEASE	7,500	7,500	0	0.0%	
9440 VEHICLE USAGE/CAR MILEAGE	12,962	12,680	(282)	(2.2%)	
9550 PROFESSIONAL DEVELOPMENT	10,180	14,880	4,700	46.2%	OPERATIONS GROUP PROF DEVT (\$3,300 INCREASE)
9552 OTHER TRAVEL & TRAINING	39,100	48,100	9,000	23.0%	MAINTENANCE PERSONNEL TRAINING (\$2K); SAFETY TRAINING (\$5K); OTHER (\$2K)
9554 LOCAL BUSINESS EXPENSE	3,600	3,800	200	5.6%	
9556 MEMBERSHIPS	17,290	17,840	550	3.2%	
9558 SUBSCRIPTIONS AND PUBLICATIONS	5,700	4,900	(800)	(14.0%)	
9610 FEES	24,575	26,575	2,000	8.1%	CRANE INSPECTION FEE - WWTP
9622 REFUSE COLLECTION CHARGES	3,383	3,383	0	0.0%	
9750 FURNITURE	14,000	14,000	0	0.0%	
9760 EQUIPMENT	156,000	219,500	63,500	40.7%	MISC VACTOR ACCESSORIES AND LAB EQUIPMENT
9950 INTEREST & PAYING AGENT FEES	12,607,019	13,566,217	959,198	7.6%	2010AB REVENUE BONDS
9960 APPROPRIATION LAPSE	(1,030,000)	(1,053,000)	(23,000)	2.2%	FIXED AT 4% OF TOTAL BUDGETED EXPENDITURES
					CUSTOMER SERVICE PRO RATA BILLING REDUCTION, PARTIALLY OFFSET BY NEW CIS COST
9990 OPERATING TRANSFERS OUT	2,038,578	1,987,718	(50,860)	(2.5%)	GENERAL OVERHEAD - NON-DISCRETIONARY COST ALLOCATION
9992 OPERATING TRANSFERS-AB7 COST	573,231	163,092	(410,139)	(71.5%)	
	28,206,825	28,473,118	266,293	0.9%	
SUBTOTAL - O&M	37,488,004	38,145,560	657,556	1.8%	
9993 OPERATING TRANS-CAPT PROJECT:	3,010,000	6,326,000	3,316,000	110.2%	CASH FUNDED PROJECTS AS PER CAPITAL PLAN
RECEIVING/OPERATIONS Total	40,498,004	44,471,560	3,973,556	9.8%	
COMPARE FY13 BUDGET TO PREVIOUS FISCAL PLAN:					
FY12 FISCAL PLAN		41,516,406			
FY13 FISCAL PLAN		38,145,560			
% CHANGE		-8.1%			

# SEWER CAPITAL PROJECTS PER FUND STATEMENT OF 3/26/12

Fiscal Year	Project Name	Funding Source	Revenue Amount	SDS FUNDS	BONDS	ZONEGATING INFO
2013	Demolition of Obsolete Equipment - 1-4 Sludge Storage Tank (SST) Removal	Sewage Disposal System	2,000,000	2,000,000		Integrated
2013	Ionla Avenue - Buckley Street to Wealthy Street; McConnell Street and Logan Street	Sewage Disposal System	680,000	680,000		
2013	CIPP Rehab of Sanitary Sewers - Various Sites	Sewage Disposal System	600,000	600,000		Integrated
2013	Stockroom Renovations	Sewage Disposal System	250,000	250,000		Integrated
2013	Automatic Titration System	Sewage Disposal System	40,000	40,000		
2013	Division Avenue - Franklin Street to Wealthy Street	Sewage Disposal System	185,000	185,000		Integrated
2013	WAS Thickening Centrifuges - Construction	Sewage Disposal System	2,000,000	2,000,000		
2013	Division Avenue - Franklin Street to Wealthy Street	Sewage Disposal System	26,000	26,000		GRT 100%
2013	Roblnhood Lift Station Upgrade / replacement	Sewage Disposal System	20,000	20,000		
2013	Plaster Creek Sewer Sheeting	Sewage Disposal System	350,000	350,000		
2013	Plaster Creek Sewer at Market Ave Sewer Repair	Sewage Disposal System	100,000	100,000		Integrated
2013	WWTP - Wheeled Loader Replacement	Bonds - Sewer	75,000	75,000	200,000	
2013	Eastside Combined Sewer Overflow - Contract No. 22	TOTAL 2013	200,000	6,526,000	200,000	
2014	CIPP Rehab of Sanitary Sewers - Various Sites	Sewage Disposal System	600,000	600,000		
2014	Division Avenue - Franklin Street to Wealthy Street	Sewage Disposal System	109,000	109,000		Integrated
2014	Plant Security System Improvements	Sewage Disposal System	250,000	250,000		Integrated
2014	Replace WWTP Perimeter Fencing	Sewage Disposal System	250,000	250,000		GR 75%, EGR 25%
2014	Silver Creek Sanitary Trunk Sewer Improvements	Sewage Disposal System	250,000	250,000		
2014	Wealthy Street - US131 to Division Avenue	Sewage Disposal System	200,000	200,000		GRT 100%
2014	Shorehaven Lift Station Upgrade / Replacement	Sewage Disposal System	20,000	20,000		GRT 100%
2014	Roblnhood Lift Station Upgrade / replacement	Bonds - Sewer	530,000	530,000	530,000	
2014	Long Term Wet Weather Control Program	Bonds - Sewer	750,000	750,000	750,000	Integrated
		TOTAL 2014	2,959,000	1,679,000	1,280,000	
2015	Eastside Combined Sewer Overflow - Contract No. 27	Sewage Disposal System	3,465,000	3,465,000		
2015	Eastside Combined Sewer Overflow - Contract No. 21	Bonds - Sewer	8,200,000		8,200,000	
2015	Eastside Combined Sewer Overflow - Contract No. 22	Bonds - Sewer	2,290,000		2,290,000	
2015	State Street - Jefferson Avenue to Lafayette Avenue	Sewage Disposal System	150,000	150,000		
2015	Silver Creek Sanitary Trunk Sewer Improvements	Bonds - Sewer	5,000,000		5,000,000	GR 75%, EGR 25%
2015	Livingston Pumping Station - Second Discharge Line from, Contract No. 1 (DWRF)	Bonds - Sewer	3,045,000		3,045,000	
2015	Bostwick Avenue - Lyon Street to Crescent Street	Sewage Disposal System	150,000	150,000		
2015	Long Term Wet Weather Control Program	Bonds - Sewer	5,000,000		5,000,000	Integrated
2015	Eastside Combined Sewer Overflow - Contract No. 28	Bonds - Sewer	200,000		200,000	
2015	Livingston Pumping Station - Second Discharge Line from, Contract No. 1 (DWRF)	Sewage Disposal System	265,000	265,000		
2015	Shorehaven Lift Station Upgrade / Replacement	Bonds - Sewer	256,000		256,000	GRT 100%
2015	CIPP Rehab of Sanitary Sewers - Various Sites	Sewage Disposal System	600,000	600,000		
		TOTAL 2015	28,621,000	4,630,000	23,991,000	
2016	CIPP Rehab of Sanitary Sewers - Various Sites	Sewage Disposal System	600,000	600,000		
2016	Eastside Combined Sewer Overflow - Contract No. 28	Bonds - Sewer	3,200,000		3,200,000	
2016	Plaster Creek Sanitary Trunk Sewer	Bonds - Sewer	1,200,000		1,200,000	GR 9%, K 59%, C 14%, GRT 5%, A 9% EST
		TOTAL 2016	5,000,000	600,000	4,400,000	
2017	Livingston Pumping Station - Second Discharge Line from, Contract No. 2 (DWRF)	Sewage Disposal System	1,260,000	1,260,000		
2017	Livingston Pumping Station - Second Discharge Line from, Contract No. 3 (DWRF)	Bonds - Sewer	875,000		875,000	
2017	Plaster Creek Sanitary Trunk Sewer	Bonds - Sewer	6,750,000		6,750,000	GR 9%, K 59%, C 14%, GRT 5%, A 9% EST
		TOTAL 2017	8,885,000	1,260,000	7,625,000	
		TOTAL ALL YEARS	51,991,000	14,495,000	37,496,000	

**Water/Sewer UAB Report  
April 2012**

Project Name	Consultant	Award Date	Substantial Completion Date	Final Completion Date	Water Fund Authorized NTE Amt	Sewer Fund Authorized NTE Amt	Est. Year for Rates	Integrated (Y/N)
2012 Update to the Clean Water Revolving Fund (CWRF) Project Plan	Black & Veatch	4/10/2012	N/A	N/A	N/A	\$55,000.00	2013	O & M